

# An Interview With Army Acquisition Executive (AAE) Claude M. Bolton Jr. — Creating the LCMC Construct

Cynthia D. Hermes and Michael I. Roddin

***On April 10, 2006, AAE/Assistant Secretary of the Army for Acquisition, Logistics and Technology (ASAALT) Claude M. Bolton Jr. met with Army AL&T Magazine staff to discuss the accomplishments, challenges and goals of the Army's Life Cycle Management Commands (LCMCs).***

U.S. Army Soldiers from 3rd Battalion, 187th Infantry Regiment, and Iraqi army soldiers from 1st Battalion, 4th Iraqi Division, exit a CH-47 Chinook during *Operation Swarmer*, March 16, 2006, northeast of Samarra, Iraq. (U.S. Army photo by SSG Alfred Johnson.)

**AL&T:** The LCMCs have been the leading change agents in spiraling technology to the Current Force. How have the LCMCs spearheaded change while also meeting the Army's transformation initiatives and requirements?

**Bolton:** The LCMCs started almost two years ago — in August 2004 — I believe. They were the initial culmination of what then Army Materiel Command [AMC] Commander GEN Paul J. Kern and I wanted to do in terms of bringing the total life-cycle management approach together to provide systems and capabilities to the warfighter. Up to that point, we had the beginnings of that concept, but had not really formalized what we now call the LCMCs. Our overriding

motivation — “How do we provide much better capability to the warfighter — particularly in the warfight right now — much faster?” One way of doing that is by bringing both the acquisition and logistics communities together. In terms of providing a better capability, that was the whole aim and it's what we're doing. There are examples of this that we can talk about later. As for modularity and where the Army is heading: modularity is an organizational construct and to be able to respond to those changes, we had to create something like an LCMC just so we could be responsive. To date, we've been able to respond very quickly to modularity and, of course, to the rest of the force that's not modular.

**AL&T:** The LCMCs were formed, in part, to provide the Army with “cradle-to-the-grave” capabilities and integrated maintenance support and to provide a single interface between Soldier field requirements and Army modernization and modularization initiatives. How well are the LCMCs doing and what would you say are their greatest success stories to date?

**Bolton:** I think they are doing very well. We've only been at this for a couple of years and we're not where we want to be yet. We first began life-cycle management integration at AMCOM [Aviation and Missile Command], so we'll talk about the CH-47 Chinook helicopter program. Prior to going to an LCMC construct, the program manager [PM]

there would take an input from the field and, as long as it was within his lane in terms of acquisition and development, take care of it. If the requests were out of his lane, and a lot of them were, then he'd have to take the requirement down to Corpus Christi Army Depot or someplace else to handle the non-development acquisition-type things. Some of those turnarounds would take 4 to 6 months. That's OK if we're not at war, but it's not OK if Soldiers are depending on us to keep their equipment operational.

Jumping ahead in the scenario a year or so, now the PM has the wherewithal to perform the entire life cycle. He is the single point of contact in terms of that weapon system. His LCMC commander is the single point for everything there, but if a new requirement comes from the field, as it did on the CH-47, it's quickly dispatched to the person who has the resources. He has all colors of money — operational, working capital funds, Recap/Reset — and all the expertise including acquisition, fielding, sustainment or similar tasks. Where we were taking several months to accomplish before, we are now only taking upwards of 4 weeks to repair and replace. I think that's a dramatic improvement in a very short period of time.

Take a look at the CECOM [U.S. Army Communications-Electronics Command] LCMC and talk about how Blue Force Tracking and JNN [Joint Network Node] have improved the Army and Joint communications capability across the battlespace. JNN is an

excellent example of bringing together COTS [commercial-off-the-shelf] pieces of equipment and putting the capability together to better network the force. And we're at least in the second, if not third, iteration of the modular units that are going over there.

At the TACOM [U.S. Army Tank-automotive and Armaments Command] LCMC, just look at the up-armoring of the Humvees. We use the same

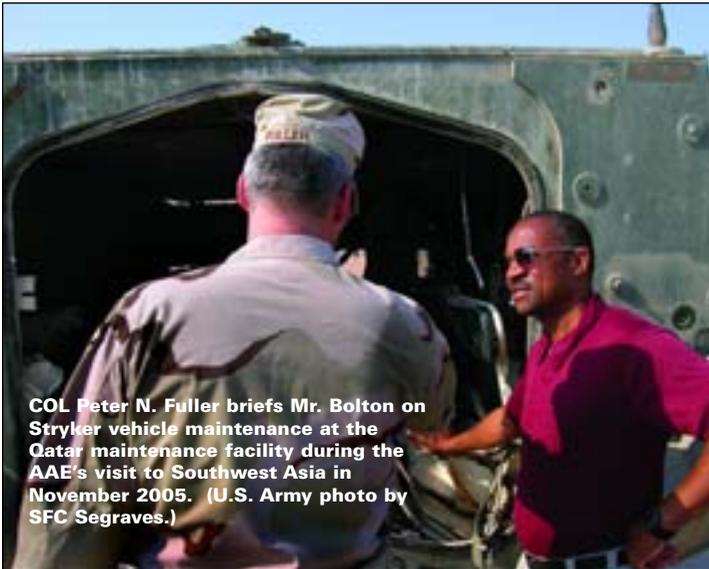
contractor and essentially go from producing 30 up-armored Humvees a month to now more than 700 a month with at least three different types of armoring that's being installed over, essentially, the last 2 to 2 ½ years. I think that's unique. The Stryker out of the TACOM LCMC is a success story as well.

So, yes, I think the LCMC concept is working very well. Whether or not we had implemented this formally back in 2004, we would have had to have done it eventually because that's what the warfight demands.

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**AL&T:** The LCMCs are a work in progress. As you have already explained, this is a journey that has taken several years and, obviously, will take several more to get the Army where it needs to be. What are the biggest challenges right now and where do the greatest opportunities for the future lie?

**Bolton:** Well, I think it all comes from the same place, and that's our people. It's a journey and I'm not sure it will ever really end. What we're trying to do is realize something that



**COL Peter N. Fuller briefs Mr. Bolton on Stryker vehicle maintenance at the Qatar maintenance facility during the AAE's visit to Southwest Asia in November 2005. (U.S. Army photo by SFC Segraves.)**

started back in the late 1980s or 1990s in DOD, and that's the notion of bringing the life-cycle approach together. There are all sorts of acronyms and phrases that we use for this — "cradle to grave" being one of them — but in fact, even though the banners and viewgraphs were out there about life-cycle management, nobody in DOD really did much about it. We told ourselves, "PMs have life cycle responsibility," but we never gave them the tools to actually execute that responsibility. Now we have.

As I said earlier, the acquisition community started in 2002 thinking about how we would recognize this, and we codified the first LCMC with AMCOM in August 2004 and gave them the wherewithal — the policy, money and people. The key point here is the people — the right people, in the right place, at the right time to make this happen. What's our biggest challenge in the future? Recruiting and retaining quality and qualified people. You know, we didn't change any natural laws when we brought this concept together, we certainly didn't get any more money and we've not used a whole lot of new technology. What's changed is how folks are actually relating to and working with one

another with the common goal being to provide better capability to the warfighter.

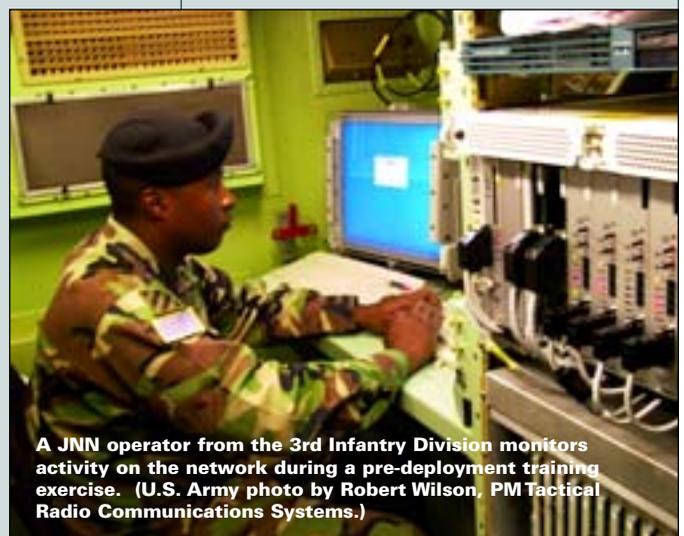
So as we move toward the future, what we're doing now is looking at our folks and saying, "OK look, how are we going to go to the next level?"

You go to the next level with education and training, bringing these very good world-class cultures together but bringing them together to make an even better culture — this life-cycle management culture. That's what the challenge will be for the combined acquisition and AMC communities. It will not be easy to change our culture. We're human beings and we don't like to have a whole lot of change in our daily lives. We're all relative on that — some folks adapt to change better than others, but basically humans don't like change. So we're going to take these cultures and bring them together.

We're working with the folks at DAU [Defense Acquisition University] to see what we can do about training courses and educational programs. We just had an offsite leadership meeting in early April where we brought the leaders together to say, "Hey, this is what we mean by it, where do we go from here?" It's well entrenched in our strategic planning here at ASAALT and also at AMC. People, ultimately, will be the key to success for our LCMCs.

**AL&T:** Given the tremendous transformational changes the Army and Acquisition, Logistics and Technology (AL&T) Workforce have gone through over the past few years, the importance of implementing cultural change, not just organizational change, is of critical importance. How successful have the LCMCs been, across the board, in implementing organizational design and structural change while also orchestrating sweeping cultural changes for their respective workforces?

**Bolton:** I think for the former — that was easy. We wrote and signed the first charter for the AMCOM LCMC. And we organizationally have changed the buying centers and we're looking at others to change. That's fairly straightforward — put a charter out and change the boxes. And then with a great deal of focus by first GEN Kern and now GEN [Benjamin S.] Griffin [current AMC Commanding General] and I in making sure that the workforce gets what it needs so we can actually get some payback out of this concept. I've given you some examples of that already. The cultural change is a longer effort and we're not there by a long shot. I've often said that it's at least a 7-year journey to do this and we started in 2004. By the time we get to year 7, if we stay on track, we will be where GEN Kern and



**A JNN operator from the 3rd Infantry Division monitors activity on the network during a pre-deployment training exercise. (U.S. Army photo by Robert Wilson, PM Tactical Radio Communications Systems.)**

I wanted to be the very first year. So, there's some change that has to take place here, but it's not going to be overnight. However, the benefits to the Army — and certainly to the Soldier — are astronomical, both in terms of getting weapon systems and equipment to the warfighter quicker and sustaining those items once they get there. And for the Army and America's taxpayers, we'll also be getting these things done a whole lot cheaper than in the past.

**AL&T:** You have said before that the LCMCs and AL&T Workforce, in general, are making great strides in aligning with the Army's vision, mission, direction and goals. Where can we declare victory and what areas are on the "short list" that require the workforce's immediate attention?

**Bolton:** Well, victory is not an end. We're not just going to say, "We're there and let's have a party."

That's never going to be the case. It is a journey and when we get to that 7-year point, there will be a lot more things that have to be done in all areas. Additionally, there will be a press on resources as we come out of this part of GWOT [global war on terrorism] funds, the fighting part, because funding is normally taken away from DOD, and certainly it will be taken away from the Army.

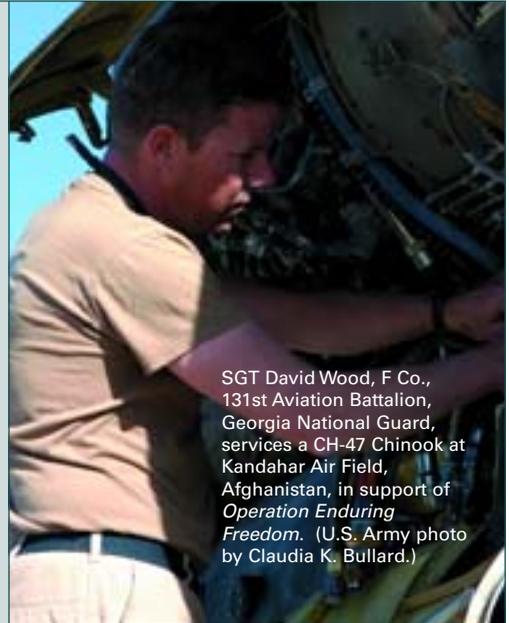
So, how do you maintain the world's best Army when your resources get constrained? There will be a lot of focus on what we're doing in supplying and sustaining the force and that will be driven by how much better we can do our business than we're doing it today. It's a journey that will go on and on. Then we have to look at the

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prospect of fighting another war sometime in the future. And once that war starts, there will be a lot of focus on this community to respond, as we have this time. Our enemies are clever and they are not going to hit our strengths. They will find our weaknesses, and we must be able to respond quickly and lethally to counter any and all threats. We must build on our collective successes in this war, which have been many, and sustain that momentum and capability for the future. In truth, we've compressed the acquisition process to weeks, months or a year, in some areas. In the not-too-distant future, we will have to be able to "ramp up" even faster. How do you collapse that process or cycle down to hours or days and work on that between now and the next war when, typically, you don't have the resources to make all that happen?

Then there's the workforce itself, which is shrinking. About half of the civilian workforce in the next three years will be retirement eligible. So where are the programs? Where is the back bench? How are you going to replace and retain that expertise? How is that all coming about? I think there are some interesting challenges there as we go forward to make all this work and keep it working. But the journey itself will continue for a long time.

**AL&T:** You and LTG Joseph L. Yakovac Jr., Director, Acquisition Career Management, are actively working with DAU to standardize education and professional development criteria and streamline certification and training requirements for AL&T Workforce members. Other than resourcing,



SGT David Wood, F Co., 131st Aviation Battalion, Georgia National Guard, services a CH-47 Chinook at Kandahar Air Field, Afghanistan, in support of Operation Enduring Freedom. (U.S. Army photo by Claudia K. Bullard.)

what are the greatest challenges you both are facing in standardizing education and professional development criteria and streamlining certification and training requirements for the future of the AL&T Workforce?

**Bolton:** Let me change the premise just a little bit. Resourcing is an issue and everyone says that. We put very little attention on that across DOD, on whether it's training our workforce, educating our workforce or providing time. Are we going to do these things offline, Web-based or whatever? Are you going to do that while you're in the office working or are you going to do it while you are at home? My view is that it is important to provide the resources, not only money, but also having supervisors allow their employees or subordinates time to train. It's also incumbent upon us to understand what we are getting once we invest in these resources, whether it's time, money or what have you. Right now, we don't have adequate tools to do that. My belief is that you get what you pay for, and if you are not ready to pay for it, you are going to lose. So I do emphasize that again and again. I emphasize it whenever I go to Capitol Hill to give testimony, and

now LTG Yakovac and I are emphasizing it more with DAU.

Obviously, DAU is a world-class organization. It was started back in the mid-1970s for a good reason by David Packard. During his opening remarks, he commented that the school — then it was called the Defense Systems Management School — would be on the leading edge of management business innovation in terms of how you do business. In the early 1990s, with the passage of *DAWIA* [*Defense Acquisition Workforce Improvement Act*], we formed the DAU with all the consortium schools, DSMC [Defense Systems Management College] being one, although a bigger one, and now we've gravitated all that together into a big DAU on the same campus.

DAU is absolutely world-class, and it's gotten national and international awards over the last few years. It was nominated to receive the prestigious Malcolm Baldrige National Quality Award back in the 1995 time frame. It was one of three institutions recognized across the United States in that particular year for that particular category, and the only federal government institution recognized. So it is world-class, and it's also a place where private defense industry sends its employees for advanced training and education.

Knowing that DAU is on the leading edge, we've urged the president, Frank J. Anderson Jr., to take a look at this LCMC concept, find out a little more about it and then offer a course or class where we could send our folks through, sit them around a table and talk about the LCMC approach and the tools that are being used to make organizations more effective and efficient. Let's talk about what we can do as an entity to provide services and capabilities to the warfighter better — help us to break

down some of the cultural challenges that we have. So, Mr. Anderson is stepping up to that request and there are a couple of more areas of interest that are peculiar to us that we'd like to see implemented and fielded as well.

**AL&T:** The advantages of implementing Lean/Six Sigma principles are well documented and the LCMCs are embracing this systematic approach to manufacturing in all their respective activities. As the AAE, you have led the charge to conquer complexity, leverage technological innovation and identify and eliminate non-value-added activities through continuous process improvement. Moving forward, how will the LCMCs continue delivering products and services with speed, customer satisfaction and lower cost through operations excellence? What metrics are being developed and used to measure the value of the LCMCs?



**Bolton:** Lean/Six Sigma is a set of tools that we use to achieve the latter part of the question — provide a capability, service or part to the warfighter faster and better — and we hope by doing the first two — that it's actually cheaper. A lot of it will boil down to how we develop and formulate the LCMC metrics over the next few months. We have metrics today. Every LCMC has metrics — they have metrics on the sustaining side, the maintenance side, the supply side, the acquisition side. That's a lot of metrics.

They are not necessarily common across the centers, and so when GEN Griffin and I look at all these things and want to see how they're working across all the LCMCs, we are in the process of developing a common set of metrics. So on the acquisition side, I can look at the probability of success on a program that's in development, I can look at the baseline, I can look at cost of performance. On the maintenance side, I am looking at how long it has taken me to get that aircraft through this building for maintenance. How much is it costing? How long does it take to get back to the warfighter? I can look at the working capital funds and how far over or under I am at the end of the year. I can look at all these ways to measure our performance and we'll continue to do that in the future.

What we have to do now is look at this more as an enterprise. So this thing called LCMC, now it's here and we're using tools like Lean and Six Sigma, not only for the plants and depots but for the headquarters and what I call the "light column" part of the business. But how well is it working? We don't have a good answer for that because we don't have a common metric. And there's been some resistance to that — "Bolton, you can't have a common metric because we're all different." My reply to that is, "You're all different, and for good reason."

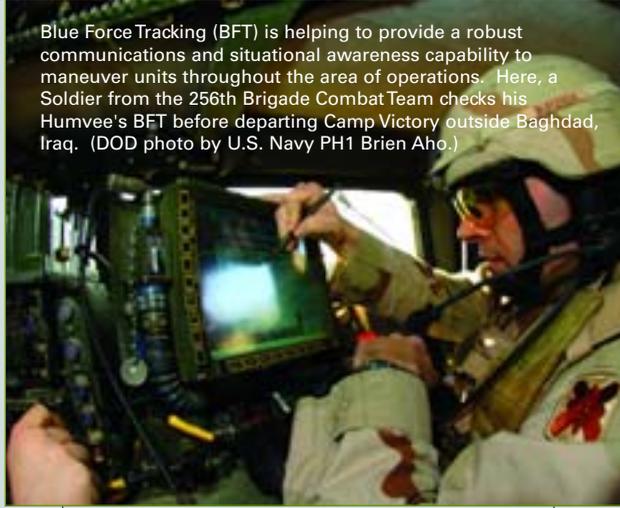
Now from a taxpayers' standpoint, I see money going into one end of this LCMC. It gets consumed in there, but what do I get out the other end? We ought to be able to look at things simply that way and be able to, in a short sound bite, tell the taxpayers and ourselves what we're getting out of it. So we'll be addressing this particular challenge over the next few months — and if anybody has a good idea about how to measure performance across the board on how

well the LCMC concept is doing from the viewpoint of providing capabilities to warfighters — I'm all ears. Anecdotally, and with the metrics we've used in the past, we know this is fair. I gave you examples of the Chinook, JNN and Humvees. We know we are there, what the AL&T Workforce and our industry partners are truly capable of doing. We're now trying to figure out how to measure this across the board, and that will become the measure we use in the future as we integrate Lean and Six Sigma and whatever new manufacturing or business processes come along. We're still very much a work in progress.

It's the same as sitting here at the headquarters and saying we're going to spend some time and effort on Lean — your time and the boss's money — and you're not going to like it. It's the same question we've had over the last 15 years starting with TQM [total quality management], reengineering and the various acquisition reform movements. You ask yourself, as a result of all that, "How much have we really saved?" There's no answer. They never ask us to measure the actuals.

We always have a briefing that says, "This is the best thing since sliced bread. We're gonna save so much money." And after browbeating several bosses, they finally give you money and you walk off to do your job. They never ask you what the return on that investment was or what everyone derived from it. For one thing, you've probably gone on to your next assignment and, two, they're probably gone from their position. We're trying to do something that, historically, has rarely been done in DOD

Blue Force Tracking (BFT) is helping to provide a robust communications and situational awareness capability to maneuver units throughout the area of operations. Here, a Soldier from the 256th Brigade Combat Team checks his Humvee's BFT before departing Camp Victory outside Baghdad, Iraq. (DOD photo by U.S. Navy PH1 Brien Aho.)



— develop some metrics that make sense and actually measure performance.

**AL&T:** As the AAE and ASAALT, what is the most salient point that you want our readers to know about LCMCs and where they are going?

Lean/Six Sigma is a set of tools that we use to provide a capability, service or part to the warfighter faster and better — and we hope by doing the first two — that it's actually cheaper.

**Bolton:** Good question. Let me put it this way, if you don't do the LCMC right, the life cycle management portion of our business, then we will not be able to sustain a world-class Army. Resources will get very, very tight when this war is over. And if we continue to do business the same way, we will not have the Army that this country deserves. Also, look at the workforce, I could have all the money in the world, but if I don't have an experienced, competent workforce, it doesn't really matter.

What I envision is that when you come into this business — whether it's through AMC, the laboratories or acquisition — your career path takes you through all aspects of the life cycle. You may be in a program office, depot, ammo plant or program executive office — those who will ultimately run this business will come up that experiential

path. And somewhere in there you'll get the requisite education and training. On the sustainment side, our logisticians get some basic training and they get some training later on, but that's it. And that's not enough. It's a hard business and we need more education, training and better tools. Every time we sit around a resource table, the problem that we have communicating to our budgeteers is that if you don't resource training and professional development, here's what will happen to us. We have a long way to go to make this business a whole lot better in terms of dollars, time and expertise. We need to begin implementing this now or we will suffer the consequences the next time the Nation goes to war.

**CYNTHIA D. HERMES** is Executive Editor of *Army AL&T Magazine*. In her 26 years of government service, she has worked as an editor for both the Army and Navy. Prior to coming to *Army AL&T Magazine*, Hermes edited U.S. Navy and Marine Corps aircraft procedural and tactical manuals at the Navy Tactical Support Activity (NTSA). She was also a program analyst at NTSA, managing file conversion of these manuals from print to CD-ROM and overseeing mass CD-ROM production and distribution.

**MICHAEL I. RODDIN** is the U.S. Army Acquisition Support Center Strategic Communications Director and *Army AL&T Magazine* Editor-in-Chief. He has B.S. degrees in English and journalism from the University of Maine and an M.A. in marketing from the University of Southern California. Roddin is a former Army Advertising Program Manager and three-time Army Keith L. Ware Journalism Award recipient. Last year, he was selected by the Secretary of the Army for Editor-of-the-Year Honors.